



MINUTES
Economic Development Authority
August 16, 2022

CALL TO ORDER

The Economic Development Authority meeting was called to order at 6:00 pm.

Present: Chair: Jahn Dyvik; Board: Deirdre Kvale, Mike Feldmann, Gina Joyce, Sahand Elmtalab, and Tim Hultmann

Staff Present: City Administrator/Executive Director: Scott Weske; City Clerk: Jeanette Moeller; and City Attorney: John Thames

Absent: Board: Charlie Miner (with prior notice)

PLEDGE OF ALLEGIANCE

APPROVE AGENDA

A motion was made by Feldmann, seconded by Joyce, to approve the agenda. Ayes: all.

CONSENT AGENDA

A. Approve Minutes of July 5, 2022 Economic Development Authority Meeting

A motion was made by Hultmann, seconded by Feldmann, to approve the Consent Agenda, as presented. Ayes: all.

OPEN CORRESPONDENCE

None.

BUSINESS ITEMS

Approval of Collateral Assignment of TIF Funds

City Attorney Thames summarized the request to approve the proposed agreement for collateral assignment of TIF funds and explained that it is a bit of a housekeeping item that is required by the lender being used by the new developer, Long Lake Townhomes, LLC for The Borough redevelopment project. He noted that this is a fairly typical requirement from a financing agency and it basically meant that the lender/bank, in exchange for loaning the money to the developer, is requiring that they are entitled to the TIF fund allotment in the event that there is a default by the developer in repaying the loan. He clarified that the proposed collateral assignment would not change the developer's obligations to City or the EDA under any of the agreements related to the development; and the collateral assignment agreement simply sets forth that the funds may get paid to a different source in the event that certain things happen. Thames assured the EDA that the collateral assignment agreement does not let the developer off the hook and just assigns the TIF funds in the event the developer defaults on payment to their lender.

Board member Kvale inquired about certain details included in the agreement for collateral assignment of TIF funds and asked for various language points to be clarified. She outlined her concern that the collateral assignment will let the developer off the hook.

Thames assured Board member Kvale that the assignment agreement would not let the developer off the hook or in any way release the developer from their obligations to the City and EDA.

The EDA sought additional detail surrounding the collateral assignment of TIF funds and how that would relate to the existing agreements and developer obligations.

A motion was made by Hultmann, seconded by Joyce, to adopt Resolution No. 2022-40, a Resolution Approving and Authorizing the Assignment of Development Agreements. Ayes: all.

Update from Staff Regarding City-Owned Property at 1905 W Wayzata Boulevard

City Clerk Moeller gave a brief update on the City-owned property at 1905 W Wayzata Boulevard and noted that the City had communicated the EDA meeting packet submission deadline to MVK Capital who had been looking at the site, but she has not heard anything from them since the EDA's last meeting. Looking forward, she observed that staff feels permit and development activity is on the upswing in the City and is in favor of letting the site 'speak for itself' in light of the increased activity. She stated that staff is proposing to put together a new sign to advertise the site that is more upgraded and professional and would include a rendering of what the EDA would like to see in this location.

The EDA discussed various ways that the property could be listed and companies that they could utilize for assistance on the signage.

Moeller mentioned that she believes putting up an updated sign would be a smart, low-cost approach to market the site because with all the upcoming activity there will be traffic in the area that will see it.

The EDA discussed rendering concepts for inclusion on the sign.

Board member Hultmann voiced that his only comment is that the City Council is going to have to take a hard look at making changes to be less restrictive on parking, no matter what the City wants to see in this location.

Moeller added that staff is unsure how much producing a rendering for a sign like this may cost and asked if the EDA had guidance on a 'not to exceed' number for staff.

Board member Joyce asked if the idea was for a totally new sign or if the existing sign could be re-wrapped with the new rendering and information.

Moeller indicated that she would like to order an entirely new sign that would be higher quality and larger, but within City Code requirements for signage size.

The EDA discussed various dollar amounts and came to a consensus that the initial 'not to exceed' amount could be \$2,000.

A motion was made by Dyvik seconded by Hultmann, to direct staff to design a sign for the City-owned property at 1905 W Wayzata Boulevard at a cost not to exceed \$2,000. Ayes: all.

OTHER BUSINESS

Downtown Parking – Board member Elmtalab suggested there be some thought put into future parking facilities in the downtown area because that may help facilitate development. EDA

members and staff shared past ideas raised for development of a parking ramp or lot in the downtown area, noting that the best location previously identified was now going to be the site of the Aava Vetta development.

ADJOURN

Hearing no objection, Chair Dyvik adjourned the meeting by general consent at 6:31 pm.

Respectfully submitted,
Scott Weske, Executive Director